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SUBJECT: Argentina Hosts Lugo and Morales for Signing of Final Act
of 1938 Peace Treaty

REF: BUENOS AIRES 0498

¶1. (SBU) Summary: Argentina hosted Paraguayan President Lugo and Bolivian President Morales for an April 27 ceremony to deliver the Final Record of the border commission in execution of the 1938 Peace Treaty between the two countries. The Ambassador attended as representative of one of the six guarantor nations. He and the other five guarantor representatives received copies of the Final Record (pouched to L/T) and signed a brief statement (see text in para 9) applauding Bolivia and Paraguay for their efforts. President Cristina Fernandez de Kirchner (CFK) used the warm and friendly occasion to lob a few zingers at an American historical figure's role in the war but afterward, privately with the Ambassador, she praised President Obama's participation at the Summit of the Americas (SOA) and said it had set a new tone for hemispheric relations. End summary.

¶2. (SBU) Argentina hosted Paraguayan President Fernando Lugo and Bolivian President Evo Morales for an April 27 ceremony to deliver the Final Record of the border commission in execution of the 1938 Peace Treaty between the two countries. The Ambassador attended as representative of one of the six guarantor nations (Argentina, Brazil, Chile, the United States, Peru, and Uruguay). He and the other five guarantor representatives received copies of the Final Record (pouched to L/T) and signed a brief statement (see text in para 9) applauding Bolivia and Paraguay for their efforts.

Parties and Guarantors Note Historic Occasion

¶3. (SBU) Bolivian FM Choquehuanca thanked the border commission for its work, noting that borders can be used for integrating rather than keeping people apart. He made a cryptic remark lamenting that the 1932-35 war had been fought "at the behest of foreign interests."

¶4. (SBU) Paraguayan FM Hamed noted that the two countries had inherited an unpopulated, undefined border. He praised the work of the commission in defining and delimiting borders in remote, difficult terrain.

¶5. (SBU) Chilean FM Mariano Fernandez, speaking on behalf of the guarantors, praised the peace process as evidence of "our capacity to resolve disagreements peacefully."

Long memory on Braden, Praise for President Obama

¶6. (SBU) President Cristina Fernandez de Kirchner (CFK) used the warm and friendly occasion to lob a few zingers at the United States. She said the Chaco War had a "smell of petroleum" ("olor a petroleo"), and she claimed that American businessman Spruille Braden as an agent of Standard Oil had played a nefarious role in provoking the war. (Note: Braden has long been a bogeyman for the Peronists. When he served as U.S. Ambassador to Argentina in 1945, Peron accused Braden of organizing the opposition and campaigned on

the slogan of "Braden or Peron.") CFK went on to criticize the "Washington Consensus" for asserting that "the market can solve everything" and promoting excessive privatizations. She praised state regulation of the markets and said a strong state presence is the best guarantee for more justice and social equity.

17. (SBU) After her remarks, on her way out of the ceremony, CFK spoke briefly and privately with the Ambassador (reftel). She was very upbeat on the Summit of the Americas, saying it set a new tone for hemispheric relations, and she praised President Obama's approach to the region.

Press coverage

18. (SBU) In an Embassy statement released April 27, the day of the signing ceremony, the Ambassador said, "The United States is proud to have supported the process that led to the signing of a peace treaty between Paraguay and Bolivia, and we congratulate Argentina on the constructive leadership role it played in resolving a serious conflict. This serves as a vivid reminder that collective diplomatic action applied in a timely way can also prevent this type of conflict." The Ambassador reiterated this message to television, radio, and print reporters while exiting the ceremony, noting he was there with representatives of Brazil, Chile, Peru and Uruguay to applaud the efforts of Bolivia and Paraguay to carry out the duties established in the 1938 Treaty of Peace, Friendship and Borders.

19. (SBU) Begin informal translation of text signed on April 27:

FINAL RECORD ON THE IMPLEMENTATION AND FULFILLMENT OF THE TREATY OF PEACE, FRIENDSHIP, AND BOUNDARIES BETWEEN THE REPUBLIC OF BOLIVIA AND THE REPUBLIC OF PARAGUAY, SIGNED ON JULY 21, 1938

In the city of Buenos Aires, Argentine Republic, on the 27th day of the month of April, 2009, by invitation of the Minister of Foreign Relations, International Trade and Worship of the Argentine Republic, Lic. Jorge E. Taiana, the Minister of Foreign Relations of the Pluri-National State of Bolivia, Ambassador David Choquehuanca Céspedes, and the Minister of Foreign Relations of the Republic of Paraguay, Ambassador Alejandro Hamed Franco, meet to receive the Final Report of the work performed by the Mixed Committee for the Demarcation of the Bolivian-Paraguayan/Paraguayan-Bolivian Boundaries, which was established as a result of the provisions in Article 5 of the Treaty of Peace, Friendship, and Boundaries between the Republics of Bolivia and Paraguay on July 21, 1938.

The Representatives of the Federative Republic of Brazil, the Republic of Chile, the United States of America, the Republic of Peru, and the Eastern Republic of Uruguay were present at this momentous meeting, representing the mediator states that brought about the signature of the Treaty of Peace, Friendship, and Boundaries of 1938, and likewise received the Final Report of the work.

Acknowledging the Report submitted by the President of the Mixed Committee for the Demarcation of the Bolivian-Paraguayan/Paraguayan-Bolivian Boundaries, having fulfilled the task of demarcation as established in the Arbitral Decision of October 10, 1938, according to Article 4 of the Act of November 25, 1938, and in consideration of the decisions in Acts 47 and 55 of the Mixed Committee, as well as with the approval of both States for the works performed, the Foreign Ministries of the Argentine Republic, of the Pluri-National State of Bolivia, and of the Republic of Paraguay declare the work of the Mixed Committee for the Demarcation of the Bolivian-Paraguayan/Paraguayan-Bolivian Border, created by Article 5 of the Treaty of Peace, Friendship, and Boundaries between the Republics of Bolivia and Paraguay, on July 21, 1938, to be complete.

(signatures of the Foreign Ministers of Bolivia, Paraguay, and Argentina)

The Minister of Foreign Relations of the Pluri-National State of Bolivia, Ambassador David Choquehuanca Céspedes, and the Minister of Foreign Relations of the Republic of Paraguay, Ambassador Alejandro Hamed Franco, agree to the following:

FIRST: They put forth for the record the acknowledgement of their respective Nations of the institutions and of all those who participated in the implementation of this work, for their dedication and effort shown in carrying out their duties.

SECOND: They would like to particularly emphasize their appreciation for the cooperation of the Presidency of the Mixed Committee for the Demarcation of the Bolivian-Paraguayan/Paraguayan-Bolivian Boundaries, held by the Argentine Republic, in the mission entrusted to the guarantor countries, which was fulfilled with objectivity and constructively.

THIRD: They congratulate themselves because in the demarcation under the Treaty of Peace, Friendship, and Boundaries of July 21, 1938, the commitment established in Article 10 was strictly observed, and at the same time, they express the will of both States to maintain the same spirit that inspired its signature.

FOURTH: They emphasize that the completion of the work of the Mixed Committee for the Demarcation of the Bolivian-Paraguayan/Paraguayan-Bolivian Boundaries is taking place at a time in which the Pluri-National State of Bolivia and the Republic of Paraguay are carrying out an intense and constructive integration agenda that manifests itself in several areas of bilateral and regional cooperation, resulting in mutual benefits for the economic and social development of both peoples.

FIFTH: They agree to start the negotiations to sign an Additional Protocol to the Treaty of Peace, Friendship, and Boundaries that will establish a Bilateral Committee for the Demarcation of Boundaries that will, among others functions, erect border markers of II and III order, carry out the control and maintenance of the border markers, and open paths to allow inter-visibility and transit between the border markers.

Until the Bilateral Committee for the Demarcation of Boundaries is established, the Governments of the Pluri-National State of Bolivia and the Republic of Paraguay may turn to the Government of the Argentine Republic to attend to any enquiry or requirement related to duties determined in Article 5 of the Treaty of Peace, Friendship, and Boundaries between the Republics of Bolivia and Paraguay, dated July 21, 1938.

SIXTH: For the record, they note the appreciation of both countries for the valuable efforts displayed by the Governments of the Argentine Republic, the Federative Republic of Brazil, the Republic of Chile, the United States of America, the Republic of Peru, and the Eastern Republic of Uruguay to see the work of the Mixed Committee for the Demarcation of the Bolivian-Paraguayan/Paraguayan-Bolivian Boundaries through to a successful conclusion.

Buenos Aires, Republic of Argentina, April 27, 2009.

(signatures of the Foreign Ministers of Bolivia and Paraguay)

The Representatives of the Argentine Republic, the Federative Republic of Brazil, the Republic of Chile, the United States of America, the Republic of Peru, and the Eastern Republic of Uruguay, having attended the signing of this Final Record by Ministers of Foreign Relations of the Pluri-National State of Bolivia and the Republic of Paraguay, do hereby recognize the importance of this event and applaud the dedication and effort shown by the Pluri-National State of Bolivia and the Republic of Paraguay in carrying out their duties under the treaty.

(signatures of the foreign ministers of Argentina and Chile, and the ambassadors of Brazil, Peru, Uruguay, and the United States)

End informal translation of April 27 document.

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